

Message Text

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PAGE 01 STATE 236799
ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 EB-08 /025 R

FSE
XMB

DRAFTED BY XMB: L M LAROCHE
APPROVED BY EUR/SE:RCEWING
XMB: C NORRIS
EB/IFD/ODF:TPARKER
-----007772 011937Z /66
R 010740Z OCT 77
FM SECSTATE WASHDC
TO AMEMBASSY ANKARA
INFO AMCONSUL ISTANBUL

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E.O. 11652: GDS

TAGS: EFIN, TU

SUBJECT: EXIM FINANCING FOR (A) KARAKAYA HYDROELECTRIC
PROJECT, (B) TEK/CUKUROVA

REFERENCE: ANKARA 7053

1. WESTINGHOUSE HOME OFFICE MADE SIMILAR INQUIRY ON
POSSIBILITY OF TRANSFERRING EXIM COVER IN PC NO. 3961 OF
80 PERCENT OF DOLS. 45 MILLION FOR TURBINE GENERATORS TO
WESTINGHOUSE BID ON TRANSFORMER PACKAGE. TRANSFORMERS
WOULD COST DOLS. 100 MILLION, BUT U.S. COSTS COULD BE HELD
TO DOLS. 45 MILLION.
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2. EXIM STAFF REPLIED (A) PC FOR ONE PORTION OF PROJECT
NOT AUTOMATICALLY TRANSFERRABLE TO ANOTHER PORTION,
(B) WOULD HAVE TO LOOK AT NEW BID FRESH, AND (C) COULD NOT
ENCOURAGE WESTINGHOUSE TO EXPECT IMMEDIATE FAVORABLE
ACTION AT THIS TIME, IF THEY SHOULD BID, DUE TO ACCUMU-
LATING ARREARS ON EXIM LOANS, GUARANTEES, AND INSURANCE
NOW TOTALING ABOUT DOLS. 9 MILLION.

3. PARA 2 OF REFTTEL REFERS TO EXIM AND COMMERCIAL BANK. WESTINGHOUSE WAS UNABLE TO LINE UP ANY UNGUARANTEED PRIVATE FINANCING, AND EXIM THEREUPON DROPPED 10 PERCENT

UNGUARANTEED LOAN FROM FINANCING PLAN, RAISED CASH PAYMENT TO 20 PERCENT, AND EXIM GUARANTEE TO 25 PERCENT, HOLDING EXIM LOAN AT 55 PERCENT. THERE WAS NO COMMERCIAL BANK INVOLVEMENT KNOWN TO EXIM.

4. RE EXIM CREDIT NO. 6410 TO CUKUROVA, WESTINGHOUSE INQUIRED 27 SEPT. ABOUT POSSIBLE SUPPORT FOR 2 OR 4 66MW UNITS COSTING DOLS 75 TO 100 MILLION FOR CUKUROVA PLANT AT MERSIN. WESTINGHOUSE INDICATED UNDERSTANDING THAT TEK NOW EXERCISES CONTROL OF CUKUROVA (CAN EMBASSY VERIFY THIS?). EXIM STAFF SIMILARLY ADVISED THAT IT COULD NOT ENCOURAGE APPLICATION AT THIS TIME. CHRISTOPHER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FINANCE, DEVELOPMENT PROGRAMS, HYDROELECTRIC POWER PLANTS
Control Number: n/a
Copy: SINGLE
Sent Date: 01-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE236799
Document Source: CORE
Document Unique ID: 00
Drafter: L M LAROCHE
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770359-0401
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197710104/aaaadksi.tel
Line Count: 79
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: aed63524-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 ANKARA 7053
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 11-Mar-2005 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 747663
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